

## Department of Planning and Budget 2008 Fiscal Impact Statement

**1. Bill Number:** SB474

House of Origin      X     Introduced                 Substitute                 Engrossed  
Second House                In Committee             Substitute                 Enrolled

**2. Patron:**        Hanger

**3. Committee:** General Laws and Technology

**4. Title:**            **Department of Minority Business Enterprises; powers; certification of sheltered workers.**

**5. Summary:** Requires the Director of the Department of Minority Business Enterprise to establish a certification program for sheltered workshops. The bill further requires sheltered workshops to be included in the procurement goals and programs of state agencies. The bill defines a sheltered workshop as a nonprofit business entity or organization that offers transitional or supported employment services serving the disabled

**6. Fiscal Impact Estimates:**

**6a. Expenditure Impact:**

<i>Fiscal Year</i>	<i>Dollars</i>	<i>Positions</i>	<i>Fund</i>
2008			
2009	\$240,000	2	GF
2010	\$200,000	2	GF
2011	\$200,000	2	GF
2012	\$200,000	2	GF
2013	\$200,000	2	GF
2014	\$200,000	2	GF

**7. Budget Amendment Necessary:** Yes # 88. This establishes a new certification program within the Department of Minority Business Enterprise.

**8. Fiscal Implications:** The estimated expenditure impact encompasses the following assumptions would be required to implement the intent of the legislation: 2 FTE staff for certifying sheltered workshops (\$140,000 recurring); reprogramming agency database to include sheltered database (\$40,000 one-time cost); annual audits (\$50,000 recurring); and onsite inspections/visits (\$10,000 recurring). Two employees would be necessary to implement this workload because this legislation would all non-profit organizations to become certified, not just sheltered workshops. Additionally, confirming the status of these entities would entail more staff time than confirming the status of a for-profit business.

**9. Specific Agency or Political Subdivisions Affected:** Department of Minority Business Enterprise

**10. Technical Amendment Necessary:** No

**11. Other Comments:** No

**Date:** 1/16/2008 CLK

**Document:** C:\Documents And Settings\Clk\Desktop\08 Leg Review\SB474.DOC

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